

Playing the long game



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We have engaged in full-scale collective bargaining with the U.S. Postal Service for more than 45 years. Indeed, on Feb. 19 of this year, for the 14th time since the passage of the Postal Reorganization Act of 1970, our union formally opened talks for a new labor contract. Our bargaining relationship with USPS has matured and we have gotten good at it. This year we are going to have to be better than ever.

My opening statement is posted on the NALC website. I won't repeat or summarize it here, but I hope you will take the time to read it. It makes it clear that this will not be a concessionary agreement. It

also lays out our commitment to work in good faith to reach a deal that will: (1) fairly reward the hard work of letter carriers; (2) address the various and serious workplace problems facing both management and our members; and (3) promote the long term interests of both the NALC and the Postal Service as well as the households and businesses we serve.

Here I want to expand on the last goal—keeping our eye on the future and playing the long game. We and our partners across the table must focus on the long term, even as we address urgent workforce and workplace issues of concern to letters carriers *right now*. Our shared long-term goal must be to make the Postal Service the indispensable provider of delivery services in America and a vital public institution.

We don't want just to be a key last-mile vendor for Amazon, though we are happy to have as much of its business as we can get. We also want to be the go-to deliverer for every company in America, big and small, that competes with Amazon. And we want to strengthen the civic functions of the Postal Service to meet the changing needs of the American people. Given our unmatched delivery and retail networks, our economies of scale and our ability to deliver letters, bills, direct mail, newspapers and packages at the same time, nobody is better positioned than we are to succeed.

But success is not guaranteed, and we do have to deal with many short-term problems simultaneously. Indeed, the working conditions and turnover rate among city carrier assistants (CCAs) are totally unacceptable. And even as we bargain to promote the economic well-being of all active city carriers, in too many places

across America the workplace culture for carriers undermines safety and service.

But our immediate challenges go far beyond the bargaining table. The need to enact sensible postal reform legislation this year remains urgent. So while we negotiate a new contract, we also must do all we can to keep together the coalition of unions, postal management and major mailers who have developed a targeted, smart reform plan.

Finally, we cannot let short-term setbacks—like the almost-certain expiration of the 4.3 percent exigent rate increase on April 10—deter us from reaching a fair, long-term contract or from working together on Capitol Hill with the most enlightened sectors of the mailing industry to strengthen the Postal Service. As our article on page 5 makes clear, allowing the exigent rate increase to expire makes no economic sense. There has not been a decline in rates since 1919 and postage rates around the world are rising from much higher base rates than we have in America.

Sadly, the Postal Regulatory Commission (PRC) erred grievously when it ruled that the increase should be temporary. Although mail volumes have stabilized with the recovery, there is no denying that the global economic crisis in 2008 triggered a permanent reduction in the volume of First Class mail—the recession was temporary, but its impact was permanent. We can and will adjust our legislative plan to take into account this likely setback.

The small-but-loud minority of mailers leading the charge to oppose consensus postal reform legislation—which would make the exigent increase permanent in return for no consumer price index-based increases before Jan. 1, 2018—provides a textbook case of misguided short-term thinking. They are thinking about next quarter's profits instead of the next quarter century. They are turning down the chance to address the \$50 billion retiree health benefits pre-funding burden that threatens to degrade our invaluable universal delivery network.

Worse, without reform legislation, they seem willing to force much greater rate increases in 2018 and beyond following the PRC's rate-setting review. In fact, without legislative change, the PRC would have no choice but to make up for the lost exigent revenue and build the enormous cost of pre-funding (in excess of \$6 billion a year and growing) into postage rates in 2018.

Perhaps it's fitting that our union, 126 years old and counting, focuses on the long game. That's what we have always done. We need the Postal Service and the mailing industry to do the same. We are committed to forging a new contract and achieving postal reform with an eye on the future, both immediate and long term. We will do that no matter what happens on Capitol Hill or in the chambers of the PRC. That's what we do.

We're the NALC—here for the long haul.